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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/775,578

02/09/2004

Wheeler Neff

11678-00001-US

1473

23416

7590

05/23/2008

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EXAMINER

NEWTON, JARED W

ART UNIT

PAPER NUMBER

3693

MAIL DATE

DELIVERY MODE

05/23/2008

PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 10/775,578	<b>Applicant(s)</b> NEFF ET AL.	
	<b>Examiner</b> JARED W. NEWTON	<b>Art Unit</b> 3693	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 28 January 2008.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-13 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-13 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 28 January 2008 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)          | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____  | 6) <input type="checkbox"/> Other: _____                          |

### **DETAILED ACTION**

This non-final rejection is in reply to the remarks filed January 28, 2008. Claims 5 and 6 are amended and no claims were canceled. Claims 1-13 are pending.

At the outset, it is noted that the prosecution of this application has been reassigned to examiner Jared W. Newton.

### ***Drawings***

The drawings were received on January 28, 2008. These drawings comply with all requirements.

### ***Claim Rejections - 35 USC § 112***

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claim 5 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. The recitation "said newly created account is at the same banking institution as the licensed payday lender and its banking institution" implies that the lender and its banking institution are part of the institution that provides the newly created account. It is unclear how such an arrangement is possible. Appropriate clarification or correction is respectfully requested.

***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-13 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Rent-a-Bank Payday Lending: How Banks Help Payday Lenders Evade State

Consumer Protections (hereafter "Rent-a-Bank report"), in view of US Patent

Application Publication No. 2002/0055904 to Mon (hereafter "Mon").

In regard to claim 1, the Rent-a-Bank report discloses a method by which payday lenders may disperse loan proceeds in a manner that evades state payday loan laws, said method comprising:

a borrower not residing in the same state as the location of a licensed lender, contacting said licensed lender about obtaining a loan (see e.g. pp. 6-8, 15, and 16);

said borrower transmitting an executed loan application to said licensed lender (see e.g. p. 6);

said licensed lender pursuant to authorization of borrower automatically opening an account for said borrower at a banking institution located in the same state jurisdiction as said licensed lender and said licensed lender and said licensed lender's banking institution (see e.g. pp. 15-17); said licensed lender disbursing the loan proceeds from its funding account at said licensed lender's banking institution to said borrower's newly created bank account and automatically wiring the loan proceeds from

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said borrower's new bank account at said banking institution in the same state jurisdiction as said licensed lender and said licensed lender's banking institution to a bank checking account of said borrower in a different state jurisdiction where said borrower resides or currently banks (see e.g. pp. 15-17 and 20); and

said licensed lender, pursuant to a preauthorization by said borrower, arranging repayment of said loan (see e.g. pp. 8, 14-15).

The Rent-a-Bank report does not explicitly disclose said licensed lender forwarding a loan application to said borrower or said lender accepting, processing, and approving the loan application.

Mon discloses a method for processing payday loans, wherein a licensed lender provides a borrower with a loan application, and said lender subsequently accepting, processing, and approving the loan application (see e.g. [0050]-[0056]).

Although the Rent-a-Bank report does not disclose these features, it would have been obvious to one of ordinary skill in the art at the time of the invention for the lender disclosed by the Rent-a-Bank report to forward an application to the borrower, and to subsequently accept, process, and approve the loan application. The motivation for including such steps would be to solicit additional customers for the loan products offered by the lender. Moreover, the accepting, processing, and approving of a loan application are requisite steps for establishing the loans discussed in the Rent-a-Bank report.

In regard to claim 2, the Rent-a-Bank report discloses a payday loan.

In regard to claim 3, the Rent-a-Bank report further discloses title loans (see e.g. p. 18).

In regard to claim 4, the Rent-a-Bank report discusses verification of the borrower through, for instance, bank statements and bills in the borrower's name (see e.g. p. 7).

In regard to claims 5 and 6, the Rent-a-Bank report in view of Mon discloses the limitations of claims 1 and 2 as set forth above, but does not explicitly disclose whether the lender's banking institution is or is not the same as the institution which creates the borrower's account. It would have been obvious at the time of the invention, however, for the lender to establish or maintain an account at said institution. The motivation for having an account would be to allow the pay the institution for providing the evading service disclosed. The motivation for not having an account at the institution would be to limit the number of accounts of which the lender must keep track of.

In regard to claim 7, it is inherent that the application disclosed by the Rent-a-Bank report would include the state jurisdiction of the loan transaction as being the same as the state where the licensed lender and its banking institution are located. The application would necessarily have to disclose this information in order for a lender to take advantage of the disclosed method and evade the lending laws of the state where the borrower resides.

In regard to claim 8, the Rent-a-Bank report further discloses facsimile transmission of the application (see e.g. p. 6).

In regard to claim 9, the Rent-a-Bank report further discloses rollover and associated fees (see e.g. pp. 5-8).

In regard to claim 10, Mon discloses borrowers outside of the United States (see e.g. [0047]). It would have been obvious at the time of the invention to provide the method disclosed by the Rent-a-Bank report to borrowers in foreign countries. The motivation would have been to make available the lending services to a wider customer base.

In regard to claims 11 and 12, the Rent-a-Bank report discloses short term loans.

In regard to claim 13, the Rent-a-Bank report further discloses said method employing Federal banking networks as part of the method for avoiding state lending laws (see e.g. pp. 15-18).

With respect to the above rejections, the Examiner has cited particular portions of the reference(s), and although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested that the Applicant consider each cited reference in its entirety as potentially teaching the limitations of the claimed invention.

### ***Response to Arguments***

Applicant's arguments with respect to claims 1-13 have been considered but are moot in view of the new ground(s) of rejection.

***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JARED W. NEWTON whose telephone number is (571)272-2952. The examiner can normally be reached on M-F 8-5.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Kramer can be reached on (571) 272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/James A. Kramer/  
Supervisory Patent Examiner, Art Unit 3693

JWN  
May 15, 2008